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2 An act relating to affordable housing for the  
3 elderly; amending s. 420.5087, F.S.; increasing  
4 the cap on certain loan amounts available to  
5 sponsors of housing for the elderly; providing  
6 an effective date.

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8 Be It Enacted by the Legislature of the State of Florida:

9  
10 Section 1. Paragraph (d) of subsection (3) of section  
11 420.5087, Florida Statutes, is amended to read:

12 420.5087 State Apartment Incentive Loan  
13 Program.--There is hereby created the State Apartment  
14 Incentive Loan Program for the purpose of providing first,  
15 second, or other subordinated mortgage loans or loan  
16 guarantees to sponsors, including for-profit, nonprofit, and  
17 public entities, to provide housing affordable to  
18 very-low-income persons.

19 (3) During the first 6 months of loan or loan  
20 guarantee availability, program funds shall be reserved for  
21 use by sponsors who provide the housing set-aside required in  
22 subsection (2) for the tenant groups designated in this  
23 subsection. The reservation of funds to each of these groups  
24 shall be determined using the most recent statewide  
25 very-low-income rental housing market study available at the  
26 time of publication of each notice of fund availability  
27 required by paragraph (6)(b). The reservation of funds within  
28 each notice of fund availability to the tenant groups in  
29 paragraphs (a), (b), and (d) may not be less than 10 percent  
30 of the funds available at that time. Any increase in funding  
31 required to reach the 10-percent minimum shall be taken from

1 the tenant group that has the largest reservation. The  
2 reservation of funds within each notice of fund availability  
3 to the tenant group in paragraph (c) may not be less than 5  
4 percent of the funds available at that time. The tenant groups  
5 are:

6 (d) Elderly persons. Ten percent of the amount  
7 reserved for the elderly shall be reserved to provide loans to  
8 sponsors of housing for the elderly for the purpose of making  
9 building preservation, health, or sanitation repairs or  
10 improvements which are required by federal, state, or local  
11 regulation or code, or lifesafety or security-related repairs  
12 or improvements to such housing. Such a loan may not exceed  
13 ~~\$750,000~~\$200,000 per housing community for the elderly. In  
14 order to receive the loan, the sponsor of the housing  
15 community must make a commitment to match at least 15 percent  
16 of the loan amount to pay the cost of such repair or  
17 improvement. The corporation shall establish the rate of  
18 interest on the loan, which may not exceed 3 percent, and the  
19 term of the loan, which may not exceed 15 years. The term of  
20 the loan shall be established on the basis of a credit  
21 analysis of the applicant. The corporation shall establish, by  
22 rule, the procedure and criteria for receiving, evaluating,  
23 and competitively ranking all applications for loans under  
24 this paragraph. A loan application must include evidence of  
25 the first mortgagee's having reviewed and approved the  
26 sponsor's intent to apply for a loan. A nonprofit organization  
27 or sponsor may not use the proceeds of the loan to pay for  
28 administrative costs, routine maintenance, or new  
29 construction.

30 Section 2. This act shall take effect July 1, 2005.  
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